

Report on the Audit of the relevant elements of the Solvency and Financial Condition Report

To: the Shareholders of ONIX ASIGURARI S.A.

Opinion

We audited the following templates, included in the Report on solvency and financial situation provided in art. 304 (1) (a) of Delegated Regulation (EU) 2015/35, drawn up in accordance with the provisions of Commission Implementing Regulation (EU) 2015/2452 of 2 December 2015 laying down implementing technical standards with regard to the procedures, formats and templates of the solvency and financial condition report in accordance with Directive 2009/138/EC of the European Parliament and of the Council (hereinafter referred to as “**Commission Implementing Regulation (EU) 2015/2452**”) and the Financial Supervisory Authority Norm no. 21/2016 regarding insurance – reinsurance activity reporting, with the subsequent amendments and completions (hereinafter referred to as “**ASF Norm no. 21/2016**”) by **ONIX ASIGURARI S.A.** („**The Company**”), with headquarters in Bucuresti Street. Daniel Danielopolu, no.2, district 1, inregistrata la Registrul Comertului sub nr. J40/7361/2012, cod de inregistrare fiscala: 10509908, inregistrata la Registrul Asiguratorilor sub nr.RA-031/10.04.2003 la data de **31 decembrie 2021**:

- S.02.01.02 – Economic balance sheet, provided for in Article.4 letter.a) of the Commission Implementing Regulation (EU) 2015/2452;
 - S.23.01.01 – Own funds, provided for in Article.4 letter.h) of the Commission Implementing Regulation (EU) 2015/2452;
 - S.25.01.21 – Solvency Capital Requirement — calculated using the standard formula – provided for in Article.4 letter.i) of the Commission Implementing Regulation (EU) 2015/2452;
 - S.28.01.01 – Minimum Capital Requirement — for life insurance or life reinsurance or insurance activity only or general reinsurance, provided for in Article.4 letter.l) of the Commission Implementing Regulation (EU) 2015/2452;
- referred to as “**The relevant elements of the Solvency and Financial Condition Report**”.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on the Other Information which comprises the:

- Business and performance
- System of governance
- Risk profile
- Valuation for solvency II purposes
- Capital management

3B EXPERT AUDIT
J40/6669/1998
RO10767770

CECCAR 158/2000
CAFR 073/2001
UNPRL 2032/2000
ASF IT 184/2016
ASF 220/2016

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In our opinion, the information subject to audit in “The relevant elements of the Solvency and Financial Report” as at 31 December 2021 is prepared, in all material respects, in accordance with the Commission Implementing Regulation (EU) 2015/2452, the financial reporting provisions of the Law 237/2015 regarding the authorization and supervision of the insurance-reinsurance activity and Financial Supervisory Authority Norm no. 21/2016 regarding insurance – reinsurance activity reporting, with the subsequent amendments and completions.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (**ISAs**). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the relevant elements of the Solvency and Financial Condition Report section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants ("**IESBA Code**") together with the ethical requirements that are relevant to our audit of "The relevant elements of the Solvency and Financial Report" in Romania and we have fulfilled our other responsibilities of professional ethics, according to these requirements and with the provisions of the Financial Supervisory Authority Norm no. 21/2016 regarding insurance – reinsurance activity reporting, with the subsequent amendments and completions. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Preparation

We draw attention to the "Valuation for solvency II purposes" and "Capital Management" sections of the Solvency and Financial Condition Report, which describes the basis of preparation. The Solvency and Financial Report is prepared in compliance with the financial reporting provisions of the Law 237/2015 regarding authorization and supervision of the insurance-reinsurance activity and Financial Supervisory Authority Norm 21/2016 regarding insurance-reinsurance activity reporting, and therefore in accordance with a special purpose financial reporting framework. The Solvency and Financial Report is required to be published, and intended users include but are not limited to the Financial Supervisory Authority. As a result, the Solvency and Financial Report may not be suitable for another purpose. Our opinion is not modified in respect of these matters.

Other Information

Management is responsible for the Other Information. Our opinion on the relevant elements of the Solvency and Financial Condition Report does not cover the Other Information and, we do not express an audit opinion or any form of assurance conclusion thereon. In connection with our audit of "The relevant elements of the Solvency and Financial Report", our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the relevant elements of "The Solvency and Financial Report", or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in "The relevant elements of the Solvency and Financial Report" or a material misstatement of the Other Information. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Solvency and Financial Report

Management is responsible for the preparation and accurate presentation of data from "The Relevant Elements of the Solvency and Financial Statement Report", in accordance with the provisions of Commission Implementing Regulation (EU) no. 2015/2452 and in accordance with the financial reporting requirements provided in Law no. 237/2015 and in the ASF Norm no. 21/2016, and for such internal control as management determines is necessary to enable the preparation of a Solvency and Financial Report that is free from material misstatement, whether due to fraud or error.

In preparing the Solvency and Financial Report, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the relevant elements of the Solvency and Financial Condition Report

It is our responsibility to form an independent opinion on the preparation, in all material respects, of the "Relevant Elements of the Solvency and Financial Statement Report," in accordance with Article 31 of the A.S.F. Not. 21/2016 and ASF Norm no. 13/2019 on the unitary framework for carrying out the statutory audit of the entities authorized, regulated and supervised by the FSA, with subsequent amendments and completions.

Our objectives are to obtain reasonable assurance about whether the relevant elements of the Solvency and Financial Condition Report are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making or the judgment of the users taken on the basis of the Solvency and Financial Condition Report.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the relevant elements of the Solvency and Financial Condition Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness and the reasonableness of the relevant elements of the Solvency and Financial Condition Report and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the relevant elements of the Solvency and Financial Condition Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other matters

This report of the independent auditor is addressed exclusively to the Company's shareholders as a whole. Our audit was performed in order to be able to report to the Company's shareholders those matters that we are bound to report in a financial audit report, and not for other purposes. To the extent permitted by the law, we accept and assume no liability other than to the Company and its shareholders, as a whole, for our audit, for this report or for the opinion formed.

Badiu Dan-Andrei

registered in the Electronic Public Register of Financial Auditors
and audit firms with number 4426



Autoritatea Pentru Supravegherea Publică a
Activităţii de Audit Statutar (ASPAAS)

Auditor financiar: Badiu Andrei
Registru Public Electronic: AF4426

For and on behalf of 3B Expert Audit S.R.L.:

registered in the Electronic Public Register of Financial Auditors
and audit firms with number 73

Autoritatea Pentru Supravegherea Publică a
Activităţii de Audit Statutar (ASPAAS)

Auditor financiar: 3B Expert Audit S.R.L.
Registru Public Electronic: FA73

Bucharest, Romania

06 April 2022

S.02.01.01.01
Balance sheet

		Solvency II value	Statutory accounts value
		C0010	C0020
Assets			
Goodwill	R0010		
Deferred acquisition costs	R0020		
Intangible assets	R0030		166,480.00
Deferred tax assets	R0040	2,333,361.00	
Pension benefit surplus	R0050		
Property, plant & equipment held for own use	R0060	157,630.00	157,630.00
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	335,946,292.00	339,947,080.00
Property (other than for own use)	R0080	0.00	
Holdings in related undertakings, including participations	R0090	0.00	
Equities	R0100	0.00	0.00
Equities - listed	R0110	0.00	
Equities - unlisted	R0120	0.00	
Bonds	R0130	150,658,546.00	150,658,546.00
Government Bonds	R0140	150,658,546.00	150,658,546.00
Corporate Bonds	R0150	0.00	
Structured notes	R0160	0.00	
Collateralised securities	R0170	0.00	
Collective Investments Undertakings	R0180	0.00	
Derivatives	R0190	0.00	
Deposits other than cash equivalents	R0200	185,287,746.00	189,288,534.00
Other investments	R0210	0.00	
Assets held for index-linked and unit-linked contracts	R0220	0.00	
Loans and mortgages	R0230	0.00	0.00
Loans on policies	R0240	0.00	
Loans and mortgages to individuals	R0250	0.00	
Other loans and mortgages	R0260	0.00	
Reinsurance recoverables from:	R0270	2,050,683.00	0.00
Non-life and health similar to non-life	R0280	2,050,683.00	0.00
Non-life excluding health	R0290	2,050,683.00	
Health similar to non-life	R0300	0.00	
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	0.00	0.00
Health similar to life	R0320	0.00	
Life excluding health and index-linked and unit-linked	R0330	0.00	
Life index-linked and unit-linked	R0340	0.00	
Deposits to cedants	R0350	0.00	
Insurance and intermediaries receivables	R0360	21,707.00	21,707.00
Reinsurance receivables	R0370	459,078.00	459,078.00
Receivables (trade, not insurance)	R0380	9,923,599.00	8,225,672.00
Own shares (held directly)	R0390	0.00	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400		
Cash and cash equivalents	R0410	56,409,063.00	52,408,275.00
Any other assets, not elsewhere shown	R0420	83,236.00	83,236.00
Total assets	R0500	407,384,649.00	401,469,158.00

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Balance sheet

Liabilities			
Technical provisions - non-life	R0510	53,151,631.89	143,555,476.00
Technical provisions - non-life (excluding health)	R0520	53,151,631.89	143,555,476.00
Technical provisions calculated as a whole	R0530	0.00	
Best Estimate	R0540	42,988,561.00	
Risk margin	R0550	10,163,070.89	
Technical provisions - health (similar to non-life)	R0560	0.00	
Technical provisions calculated as a whole	R0570	0.00	
Best Estimate	R0580	0.00	
Risk margin	R0590	0.00	
Technical provisions - life (excluding index-linked and unit-linked)	R0600	0.00	0.00
Technical provisions - health (similar to life)	R0610	0.00	
Technical provisions calculated as a whole	R0620	0.00	
Best Estimate	R0630	0.00	
Risk margin	R0640	0.00	
Technical provisions - life (excluding health and index-linked and unit-linked)	R0650	0.00	
Technical provisions calculated as a whole	R0660	0.00	
Best Estimate	R0670	0.00	
Risk margin	R0680	0.00	
Technical provisions - index-linked and unit-linked	R0690	0.00	
Technical provisions calculated as a whole	R0700	0.00	
Best Estimate	R0710	0.00	
Risk margin	R0720	0.00	
Other technical provisions	R0730		
Contingent liabilities	R0740		
Provisions other than technical provisions	R0750		
Pension benefit obligations	R0760		
Deposits from reinsurers	R0770	0.00	
Deferred tax liabilities	R0780	14,464,615.00	
Derivatives	R0790	0.00	
Debts owed to credit institutions	R0800		
Financial liabilities other than debts owed to credit institutions	R0810		
Insurance & intermediaries payables	R0820	3,384.00	3,384.00
Reinsurance payables	R0830	0.00	
Payables (trade, not insurance)	R0840	100,632,719.00	100,632,719.00
Subordinated liabilities	R0850		0.00
Subordinated liabilities not in Basic Own Funds	R0860	0.00	
Subordinated liabilities in Basic Own Funds	R0870	0.00	
Any other liabilities, not elsewhere shown	R0880		
Total liabilities	R0900	168,252,349.89	244,191,579.00
Excess of assets over liabilities	R1000	239,132,299.11	157,277,579.00

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		Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	50,000,000.00	50,000,000.00			
Share premium account related to ordinary share capital	R0030	704.00	704.00			
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0.00				
Subordinated mutual member accounts	R0050	0.00		0.00	0.00	0.00
Surplus funds	R0070	0.00				
Preference shares	R0090	0.00		0.00	0.00	0.00
Share premium account related to preference shares	R0110	0.00				
Reconciliation reserve	R0130	169,131,595.11	169,131,595.11			
Subordinated liabilities	R0140	0.00		0.00	0.00	0.00
An amount equal to the value of net deferred tax assets	R0160	0.00				0.00
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	0.00	0.00	0.00	0.00	0.00
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	0.00				
Deductions						
Deductions for participations in financial and credit institutions	R0230	0.00	0.00	0.00	0.00	
Total basic own funds after deductions	R0290	219,132,299.11	219,132,299.11	0.00	0.00	0.00
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0.00			0.00	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0.00			0.00	
Unpaid and uncalled preference shares callable on demand	R0320	0.00			0.00	0.00
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0.00			0.00	0.00
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0.00			0.00	
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0.00			0.00	0.00
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0.00			0.00	
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0.00			0.00	0.00
Other ancillary own funds	R0390	0.00			0.00	0.00
Total ancillary own funds	R0400	0.00			0.00	0.00
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	219,132,299.11	219,132,299.11	0.00	0.00	0.00
Total available own funds to meet the MCR	R0510	219,132,299.11	219,132,299.11	0.00	0.00	
Total eligible own funds to meet the SCR	R0540	219,132,299.11	219,132,299.11	0.00	0.00	0.00
Total eligible own funds to meet the MCR	R0550	219,132,299.11	219,132,299.11	0.00	0.00	
SCR	R0580	111,086,257.42				
MCR	R0600	27,771,564.35				
Ratio of Eligible own funds to SCR	R0620	197.26%				
Ratio of Eligible own funds to MCR	R0640	789.05%				

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S.23.01.01.02
Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	239,132,299.11
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	20,000,000.00
Other basic own fund items	R0730	50,000,704.00
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	0.00
Reconciliation reserve	R0760	169,131,595.11
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	
Total Expected profits included in future premiums (EPIFP)	R0790	0.00

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		Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios
		C0030	C0040	C0050
Market risk	R0010	38,625,417.03	38,625,417.03	
Counterparty default risk	R0020	6,226,685.05	6,226,685.05	
Life underwriting risk	R0030	0.00	0.00	
Health underwriting risk	R0040	0.00	0.00	
Non-life underwriting risk	R0050	98,993,711.12	98,993,711.12	
Diversification	R0060	-25,613,233.97	-25,613,233.97	
Intangible asset risk	R0070	0.00	0.00	
Basic Solvency Capital Requirement	R0100	118,232,579.23	118,232,579.23	

S.25.01.01.02

Calculation of Solvency Capital Requirement

		Value
		C0100
Adjustment due to RFF/MAP nSCR aggregation	R0120	
Operational risk	R0130	4,984,932.19
Loss-absorbing capacity of technical provisions	R0140	0.00
Loss-absorbing capacity of deferred taxes	R0150	-12,131,254.00
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency Capital Requirement excluding capital add-on	R0200	111,086,257.42
Capital add-on already set	R0210	
Solvency capital requirement	R0220	111,086,257.42
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	
Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	R0450	
Net future discretionary benefits	R0460	

S.28.01.01.01

Linear formula component for non-life insurance and reinsurance obligations

		MCR components
		C0010
MCRNL Result	R0010	24,419,361.00

S.28.01.01.02

Background information

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	0.00	0.00
Income protection insurance and proportional reinsurance	R0030	0.00	0.00
Workers' compensation insurance and proportional reinsurance	R0040	0.00	0.00
Motor vehicle liability insurance and proportional reinsurance	R0050	0.00	0.00
Other motor insurance and proportional reinsurance	R0060	0.00	0.00
Marine, aviation and transport insurance and proportional reinsurance	R0070	0.00	0.00
Fire and other damage to property insurance and proportional reinsurance	R0080	0.00	0.00
General liability insurance and proportional reinsurance	R0090	0.00	0.00
Credit and suretyship insurance and proportional reinsurance	R0100	40,937,878.00	151,976,607.00
Legal expenses insurance and proportional reinsurance	R0110	0.00	0.00
Assistance and proportional reinsurance	R0120	0.00	0.00
Miscellaneous financial loss insurance and proportional reinsurance	R0130	0.00	0.00
Non-proportional health reinsurance	R0140	0.00	0.00
Non-proportional casualty reinsurance	R0150	0.00	0.00
Non-proportional marine, aviation and transport reinsurance	R0160	0.00	0.00
Non-proportional property reinsurance	R0170	0.00	0.00

S.28.01.01.05

Overall MCR calculation

		C0070
Linear MCR	R0300	24,419,361.00
SCR	R0310	111,086,257.42
MCR cap	R0320	49,988,815.84
MCR floor	R0330	27,771,564.35
Combined MCR	R0340	27,771,564.35
Absolute floor of the MCR	R0350	18,310,930.00
Minimum Capital Requirement	R0400	27,771,564.35

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